Please amend the subject application as follows.

In the Claims:

Please cancel claims 9, 10, 15, 17, 23, 24, 28, 29, 30, 31, 32, and 38 without prejudice to applicants' right to pursue protection for the subject matter defined by these claims if applicants determine to do so in a continuation or divisional application in the future.

Please amend claims 1, 3, 5, 6, 8, 41, 37-39 and 42 as follows.

--1. (X3 Amended) A method for inhibiting T cell proliferation comprising contacting CD28 positive T cells with B7 antigen or an anti-CD28 monoclonal antibody so as to bind the CD28 receptor on the CD28 positive T cells with B7 antigen or an anti-CD28 monoclonal antibody and thereby inhibiting T cell proliferation.

--3. (X3 Amended) The method of claim 1, wherein the CD28 positive T cells are contacted with a fragment or derivative of the extracellular domain of the B7 antigen which recognizes and binds the CD28 positive T cells.--

--5. (x2 Amended) The method of claim 3, wherein said fragment is a polypeptide having an amino acid sequence containing amino acid residues from about position 1 to about position 215 of the amino acid sequence corresponding to the extracellular domain of B7 antigen which recognizes and binds the CD28 positive T cells.

--6. (x2 Amended) The method of claim 3, wherein said derivative comprises a fusion polypeptide having a first amino acid sequence corresponding to the extracellular domain of B7 antigen which recognizes and binds the CD28 antigen and a second amino acid sequence corresponding to a moiety that alters the solubility, affinity and/or valency of said B7 antigen for binding to the CD28 receptor.--

--8. (x2 amended) The method of claim [6] 3, wherein said derivative comprises a fusion polypeptide having a first amino acid sequence containing amino acid residues from about position 1 to about position 215 of the amino acid sequence corresponding to the extracellular domain of B7 antigen which recognizes and binds the CD28 antigen and a second amino acid sequence corresponding to the hinge, CH2 and CH3 regions of human immunoglobulin $C\gamma 1$.

--19. (X4 Amended) A method of inhibiting CD28 positive T cell proliferation comprising reacting B7 positive cells with a monoclonal antibody designated BB-1 or a $F(ab)_2$ fragment thereof or the CD28Ig fusion protein [so as to bind the monoclonal antibody or the $F(ab')_2$ fragment thereof or the CD28Ig fusion protein with B7 positive cells] and thereby blocking B7-T cell interaction and inhibiting CD28 positive T cell proliferation.

--37. (x2 amended) The method of claim [35] 1, wherein the anti-CD28 monoclonal antibody is a Fab fragment of anti-CD28 monoclonal antibody.

--38. (x2 amended) The method of claim [35] 1, wherein said antibody is 9.3 monoclonal antibody produced by hybridoma ATCC No. HB10271.

--39. (x2 amended) The method of claim [35] 1, wherein said anti-CD28 antibody is reactive with a [fusion protein comprising a] polypeptide having a first amino acid sequence containing amino acid residues from about position 1 to about position 134 of the amino acid sequence corresponding to the extracellular domain of CD28 receptor [and a second amino acid sequence corresponding to the hinge, CH2 and CH3 regions of human immunoglobulin Cγ1].

--41. (x2 amended) A method for preventing the binding of the CD28 receptor to the B7 antigen comprising contacting CD28 positive T cells with a fragment or derivative of the extracellular domain of the B7 antigen [so as to] which recognizes and binds the CD28 receptor on the CD28 positive T cells with the fragment or derivative of the extracellular domain of the B7 antigen thereby preventing binding of the receptor to the B7 antigen.--

--42. (x2 amended) The method of claim 41, wherein said derivative is a B7Ig fusion protein comprising an amino acid sequence containing amino acid residues from about position 1 to about position 215 of the amino acid sequence corresponding to the extracellular domain of B7 antigen which recognizes and binds the CD28 antigen.--